

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

October 30, 2012

Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

2012 NOV 14 PM 12:17  
MUR # 6692

**SENSITIVE**

Re: Complaint against Ryan for Congress,  
FEC No. C00330894

TO THE GENERAL COUNSEL:

Pursuant to 2 U.S.C. 437g(a) and 11 C.F.R. 111.4, I am writing to request that the Federal Election Commission open a Matter Under Review against Ryan for Congress, FEC No. C00330894, (the "Committee") the principal campaign committee of Congressman Paul D. Ryan, FEC No. H8WI01024, and find that the Committee has violated the Federal Election Campaign Act, and its related regulations, for the reasons set forth below.

In addition to being the Republican candidate for election to the U.S. House of Representatives for the 8<sup>th</sup> Congressional District of Wisconsin, Mr. Ryan is also the Republican candidate for Vice President of the United States FEC No. P80003353, and whose principal campaign committee (along with that of Presidential Candidate Mitt Romney) is Romney for President Inc., FEC No. C00431171 (the "Romney Committee").

Federal law is clear that "[i]f an individual is a candidate for more than one Federal office, ... he or she must designate separate principal campaign committees and establish completely separate campaign organizations." 11 C.F.R. 110.8(d)(1). Furthermore, "[n]o funds, goods, or services, including loans and loan guaranties, may be transferred between or used by the separate campaigns, except as provided in 11 CFR 110.3(c)(5)". 11 C.F.R. 110.8(d)(2). On information and belief Mr. Ryan has co-mingled expenditures between the Committee and the Romney Committee, in violation of such regulations.

As disclosed in an article published on October 25, 2012 in *Politicker.com*, a political website operated by *The New York Observer*, the Committee reported "\$59,603.41 that was specifically identified as [Republican National] convention-related expenses between July 26 and October 17". A copy of the article is attached to this letter. The article may also be found at <http://politicker.com/2012/10/paul-ryan-campaign-money>. A spokesperson for the Committee is quoted as stating that the bulk of such expenses were for the purchase of twenty hotel rooms for use at the Republican National Convention, although the Committee had only five staff members.

As stated in the FEC's publication "FEC Rules for National Convention Delegates" ("Rules"), "candidates may also use campaign funds to pay the travel and subsistence expenses

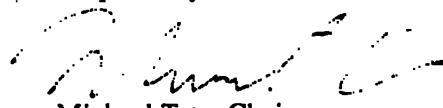
13044344338

of other individuals (e.g., spouse, child, Congressional staff person) in connection with the convention if the individual will be engaging in significant campaign-related or officeholder-related activity on the candidate's behalf during the convention. 11 C.F.R. 113.1(g); AOs 1996-20, 1996-19 and 1995-47." Rules, p. 2.

It strains credulity to believe that the twenty rooms paid for by the Committee at the Republican National Convention were expended solely to promote the re-election of Mr. Ryan to the House of Representatives. Instead, these were expenses clearly meant to promote Mr. Ryan's candidacy for Vice President, and which, under federal law, should have been paid for by the Romney Committee. Further, as shown in the *Politicker* article, the campaign spokesperson's further efforts to explain away the expenditures were contradicted by the Committee's reports filed with the Federal Election Commission.

Based on my information and belief, the *Politicker* article, along with the campaign reports cited within it, are sufficient for the Office of General Counsel to establish a Matter Under Review and for the Federal Election Commission to determine that a violation of the Federal Election Campaign Act has occurred.

Respectfully Submitted,



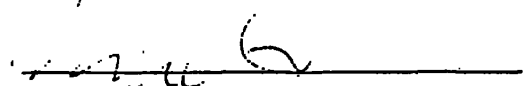
Michael Tate, Chairman  
The Democratic Party of Wisconsin  
110 King Street, Suite 203  
Madison, WI 53703

Enclosure

STATE OF WISCONSIN,

COUNTY OF Dane ss.

Signed and sworn to (or affirmed) before me, under penalty of perjury, by Michael Tate, who is to me personally known, on October 31, 2012.



(Notary Public)

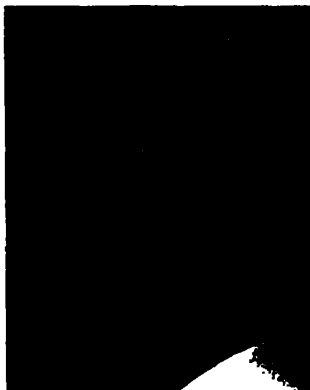
My commission expires 11/22/2015

13044344339

## CASH MONEY

# Paul Ryan's 'Problematic' RNC Spending Spree

By Hunter Walker 10/25 8:10pm

[Twitter 254](#) [Facebook 22+](#) [Reddit](#) [Google +1](#) [Email](#) [Print](#)


Paul Ryan campaigning in Virginia earlier this month. (Photo: Getty)

A Politicker examination of federal campaign finance disclosure reports submitted by Paul Ryan's congressional campaign has uncovered indications Mr. Ryan may have improperly used funds raised for his re-election effort in Wisconsin for presidential campaign activities at the Republican National Convention in August. Mr. Ryan is simultaneously running for re-election in Wisconsin's First Congressional District and on the GOP presidential ticket with Mitt Romney. At the RNC in Tampa, Mr. Ryan's House campaign spent about \$60,000. However, these convention expenses seem to go far beyond the scope of the activities and staff he had at the RNC for his bid to reclaim his House seat.

One prominent election law expert told us this is a "highly problematic" potential violation of Federal Election Commission regulations regarding

candidates running for multiple federal offices. A spokesperson for Mr. Ryan's opponent in Wisconsin's First Congressional District described it as a possibly "troubling" element of "Paul Ryan's overarching pattern of dishonesty in this race." When we reached out to Mr. Ryan's congressional campaign manager, we received a shifting series of explanations including at least one statement that was clearly untrue.

According to the quarterly campaign finance disclosure filed in October, Mr. Ryan's congressional campaign spent \$59,603.41 that was specifically identified as convention-related expenses between July 26 and October 17. FEC regulations require candidates who, like Mr. Ryan, are actively running for multiple federal offices to "designate separate principal campaign committees and establish completely separate campaign organizations." These separate committees are prohibited from transferring "funds, goods, or services, including loans and loan guarantees" between themselves. Expenditures made by a vice presidential candidate while participating in national campaign activity in the course of a campaign are considered "expenditures made by or on behalf" of the presidential campaign they are associated with.

The FEC has issued advisory opinions explaining what expenses are allowed for candidates attending their parties' conventions. In one of these, the commission notes that convention expenses cannot include "any use of funds in a campaign account of a present or former candidate to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or duties as a Federal officeholder." In the same advisory opinion, the commission said "regulations covering delegate activity indicate that such costs would be for the purpose of influencing a Federal election and, hence, not a personal use." In other words, in Mr. Ryan's case, this means he would be permitted to use his campaign account only to fund expenses related to him and his campaign staff attending and holding events explicitly associated with his re-election effort, not for general convention expenses which would be considered part of the effort to boost his campaign with Mr. Romney. If a committee pays for someone to attend the convention and they participate in activities

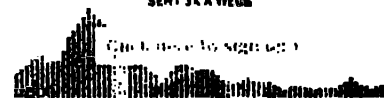
## SUGGESTED READING

Evening Read: 'If You Die on the Job, I Will Go. If You Don't, I Won't'

Living  
There

A free email newsletter for the New York real estate community  
VIEW ON THE MARKET • IN CONTRACT • PRICE DROPS

SENT 3X A WEEK



Enter your email for updates

Send an anonymous tip

Wisconsin Dems Ask for Investigation Into Paul Ryan's Campaign Finances

Politicians Weather the Storm With Some Damage

Morning Read: 'Bringing It All back to Normal'

Congressman Bob Turner's House Burned Down in Sandy's Fury

Mitt Romney Cashing In On Supreme Court Healthcare Ruling [Update]

related to multiple campaigns, their expenses must be paid incrementally by the separate committees involved. Furthermore, convention guests whose expenses are paid for by one of their campaign committees must be "integral" to their campaign efforts.

However, though Mr. Ryan spent about \$60,000 at the convention, his campaign manager, Kevin Seifert, told us his congressional campaign staff includes only five people and the bulk of his RNC expenses came from the purchase of over 20 hotel rooms.

Yesterday, Politicker spoke on the phone with Mr. Seifert about the campaign's activities at the RNC.

"I think, pretty much, there was only one Ryan for Congress affiliated event, which was we had a hospitality suite at the convention," said Mr. Seifert. "Beyond that, there was a Wisconsin beer and brats event. Beyond those two, nothing else comes to mind in terms of Ryan for Congress specifically."

The vast majority of Mr. Ryan's convention spending does not seem to be related to these events. Mr. Ryan's largest RNC expense was a \$34,854.35 payment for "hotel rooms" at the Marriott Tampa Waterside, which was the Romney campaign's base at the convention. Mr. Ryan's congressional campaign also paid \$4,183.20 for "hotel rooms" for the convention at a Hyatt hotel. Mr. Seifert told us the hospitality suite was located "in the convention hall" and the "beer and brats" event was held in a "staging area" near the convention.

"It was at the—I can't remember what they called it, it was a—basically the main staging area for these events," Mr. Seifert said, adding, "The pavilion, yeah, with the tents."

Strangely, there do not seem to be costs from either the hospitality suite or the "beer and brats" event listed in Mr. Ryan's campaign finance disclosures. During our phone conversation yesterday, we asked Mr. Seifert if he could tell us where the expenses for these two events appeared in the disclosure reports. He said he wasn't sure "off the top of my head" but promised to "look into it if you'd like." He also assured us Mr. Ryan's congressional campaign was operating in accordance with FEC regulations and wasn't paying for activities associated with the presidential ticket.

"There are two separate campaigns and, as such, all the finances, all the operations are separately done," said Mr. Seifert.

Since that initial conversation, as of this writing, Mr. Seifert hasn't responded to multiple requests for information on these events and other questions about Mr. Ryan's other RNC expenses.

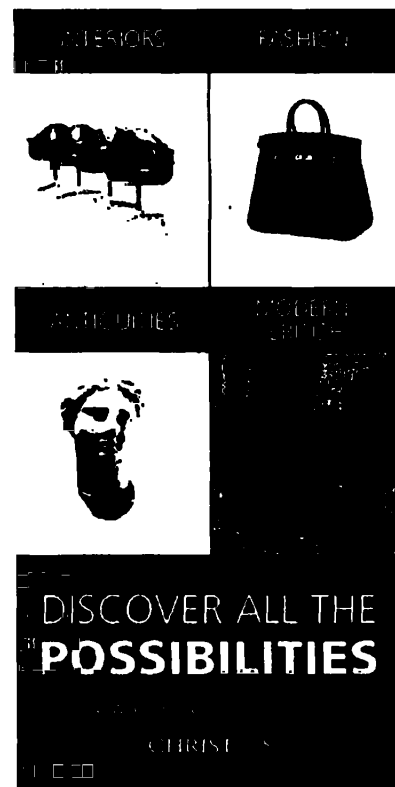
Mr. Seifert did follow up on our phone call with an email sent yesterday about the charges with the Marriott hotel. Though he initially told us there are only five staffers on Mr. Ryan's congressional campaign, Mr. Seifert said the campaign paid for twenty rooms at the Marriott.

"Ryan for Congress had twenty rooms at the Marriott so staff could have an opportunity to hear Congressman Ryan's keynote address," he said. "The hotel required a five night minimum stay during the convention period and those charges account for the bulk of the spending you referenced."

When we responded asking why so many rooms were purchased, Mr. Seifert sent another email claiming the additional rooms were for "other staff members." He also provided initial information about the campaign's spending at the Hyatt.

"As I said when we spoke, the 5 members of the Ryan for Congress staff were there for the full convention. Other staff members of Congressman Ryan's attended parts of the convention—most notably Congressman Ryan's keynote address," Mr. Seifert wrote. "Ryan for Congress reserved 20 rooms at the Marriott and had a couple rooms at the Hyatt, where the Wisconsin Delegation was staying."

We asked Mr. Seifert for more specific details about who used the rooms, but he hasn't responded to that request. After reviewing his email, we also noticed that the \$4,183.20 was identified in the Ryan campaign's disclosure report as having been spent at the Grand Hyatt Tampa Bay, while the Wisconsin delegation was staying in a different hotel operated by the same chain, the Hyatt Regency Tampa. Based on their own disclosure reports Mr. Seifert's



claim Mr. Ryan's congressional campaign purchased rooms at the hotel where the Wisconsin delegation was staying is untrue. Mr. Seifert has also not responded to a request asking for an explanation of this discrepancy.

While it may be theoretically possible the as-yet-unidentified "other staff members" from Ryan's congressional campaign did in fact use the rooms, it is doubtful so many people were integral to his re-election bid. Additionally, paying for guests or essential staffers to attend the convention simply to view Mr. Ryan's speeches, which were part of his national campaign for the vice presidency, would seem to constitute a clear violation. For example, there was no mention whatsoever of Mr. Ryan's congressional campaign in his keynote speech.

Since we began working on this story, Mr. Ryan's congressional campaign released a new financial disclosure report covering the period from October 1 through October 17. That report contained an additional expense that appears to be connected to the convention. At the start of the month, Mr. Ryan's congressional campaign paid \$16,411.36 for "rooms for national convention." The payment was listed as going both to a Virginia-based consulting firm called the Townsend Group and to the Renaissance Tampa International Plaza Hotel. The Renaissance Tampa International Plaza Hotel is approximately six miles from the RNC and, based on Mr. Seifert's descriptions, would not seem to have been associated with the Ryan for Congress hospitality suite or "beer and brats" event, which were both located at the site of the RNC. Mr. Seifert has not responded to a request for information about this expense. We also reached out to the hotel and the Townsend Group, but, as of this writing, we have not received a response.

Jerry Goldfeder is an attorney with the law firm of Stroock & Stroock & Lavan LLP who specializes in election and campaign finance law. We detailed the convention expenditures made by Mr. Ryan's congressional campaign to Mr. Goldfeder and asked whether he thought it seemed like a potentially improper use of campaign funds.

"It sounds as if he used congressional campaign funds for national campaign purposes and that's highly problematic," Mr. Goldfeder said.

The FEC typically investigates possible campaign finance violations only after receiving a complaint. We also asked Mr. Goldfeder whether he thought the RNC spending by Mr. Ryan's congressional campaign would be investigated by the commission.

"If they see it, they will," he said.

Perhaps the person most likely to file an FEC complaint in this instance would be Rob Zerban, Mr. Ryan's Democratic opponent in his House race. When we informed T.J. Helmstetter, a spokesman for the Zerban campaign, about our findings, he said they would wait until they had more information about the situation to file an official complaint. However, he characterized the situation as part of a "pattern of dishonesty" on Mr. Ryan's part.

"It's definitely something that is troubling to us," he said. "It's not surprising to us given, Paul Ryan's overarching pattern of dishonesty in this race, that something like this could pop up, but we're going to wait until we have all the details before we rush to judgment or jump to file a claim."

Mr. Helmstetter also pointed out that Mr. Ryan has faced allegations that his television ads in the race, which do not all specifically mention his congressional campaign, constitute improper use of campaign funds. He said both the issue of the commercials and the RNC spending raise "very important" questions.

"I think these questions are very important and the Ryan campaign needs to answer them," said Mr. Helmstetter.

Overall, Mr. Helmstetter said Mr. Ryan seems much more focused on his national ambitions than his congressional race against Mr. Zerban, whom the vice presidential candidate has avoided debating thus far.

"Paul Ryan has been as much of an absentee candidate in this race as he's been an absentee congressman for the State of Wisconsin since ascending to the national scene," Mr. Helmstetter said. "His constituents have been paid absolutely zero attention by the Ryan campaign in this race. We believe that Ryan's failure to come back to the district to debate us is yet another signal that he has moved past Wisconsin's First District. He is solely interested in his rising

national stature and Ryan no longer has interest in serving the people of Wisconsin."

We contacted the Romney campaign this evening to see if they had any comment on this story. As of this writing, we have yet to receive a response.

Follow Hunter Walker on Twitter or via RSS. [hwalker@observer.com](mailto:hwalker@observer.com)

Twitter Facebook Reddit Google +1 Email Print

See also

**Paul Ryan's 'Extreme Home Fitness' Routine Makes an Appearance at the RNC**

**Wisconsin Dems Ask for Investigation Into Paul Ryan's Campaign Finances**

**Exhaustive TMZ Investigation Uncovers Paul Ryan's Abs**

**Michael Grimm Reviews Paul Ryan's Speech and Explains His Late RNC Arrival**

**Paul Ryan Attacked By Flying Meme**

topics: Campaign 2012, Cash Money, Expenses, FEC, Federal Election Commission, House of Representatives, Kevin Seifert, Mitt Romney, RNC, Republican National Convention, Rob Zerban, Spending, campaign finance, paul ryan

3 comments

0 Stars



Leave a message...

Discussion Community



Robert Mark

Clearly, Ryan should have had his election to both offices handled by a blind trust.

Reply Share



Gloria Lynn

Lyin' Ryan, living off the taxpayer dime since the day he was born. Crooked as a dog's hind leg and as with all Teapublicans thinks that the rules do not apply to him. I hope he gets fined big time and never allowed to serve in any public office again.

Let him get a job in the private sector and actually work for a living for once in his life, without help from any of the rest of His Teapublican misogynist pals. AND NO LOBBYIST positions..... EVER.

Reply Share



DCinDC

This could be why Paul Ryan is not campaigning. Instead they have him fundraising. Out of Sight out of mind.

Reply Share

ALSO ON POLITICKER

**Reporters Preparing to Cover Debate By Drinking Free Beer** 777 comments

**Ann Coulter Calls Obama 'The Retard' | Politicker** 115 comments

RECOMMENDED FOR YOU

What's this?

**Stunning Picture of Princess Kate Style Bistro**

**What are your thoughts about Benghazi and how the President has handled? ...** Gretawire • 1160 comments

WINDY CITY

PLANES TRAINS &  
AUTOMOBILES  
If Only We Had  
Bike Share Right

BACK TO BUSINESS  
U.S. Stock  
Exchanges Open  
for First Time

MUSIC  
From Me to You:  
John Lennon's  
Letters Show a

BOOKS

13044344343



From Evacuation to  
Hibernation: How  
New Yorkers Rode Out  
the Storm

Now, and the  
Uselessness of  
Google Maps  
When the  
Subway's Shut  
Down

Since the Storm

Thoughtful  
Writer and a Real  
Curmudgeon



Breaking News or  
Political Smut? It's  
Both!

[About](#) [Masthead](#) [Terms of Service](#) [Privacy Policy](#) [Advertise With Us](#)

© 2012 by

13044344344